



STATE OF SOUTH CAROLINA)	IN THE COURT OF COMMON PLEAS
)	FOR THE NINTH JUDICIAL CIRCUIT
COUNTY OF CHARLESTON)	
)	CASE NO.: _____
Scott Phillip Shaw)	
)	
Plaintiff,)	COMPLAINT
)	(Jury Trial Demanded)
vs.)	
)	
Airbnb, Inc.; Airbnb Payments, Inc.,)	
)	
Defendants.)	

The plaintiff, Scott Phillip Shaw (“Shaw”), complaining of the above-mentioned Defendants, alleges and would respectfully show unto this Honorable court:

1. Plaintiff is a citizen and a resident of the County of Charleston, State of South Carolina.

2. Defendants, Airbnb, Inc. and Airbnb Payments, Inc. (collectively referred to as “Airbnb”), are upon information and belief Delaware corporations with a principal places of business in California.

3. The alleged facts and omissions herein giving rise to this cause of action occurred in Charleston County, South Carolina.

4. This court has Jurisdiction over the parties and the subject matter of this litigation.

5. Airbnb actively markets and advertises its services nationwide and solicits “hosts” to use Airbnb to rent their homes by falsely promoting a “guarantee,” which is simply a misleading marketing tool or a “scam.” One journalist called the “guarantee” “as empty as a vacant apartment.” (*See* <https://www.phocuswire.com/HomeAway-thinks-1M-Airbnb-Host-Guarantee-is-as-empty-as-a-vacant-apartment>). The guarantee is nothing of the sort, and many Airbnb hosts

have referred to it as a sham or fraud – both in terms of its vague and misleading representations; false marketing/advertising and promoting the “guarantee;” deceptive and unfair policies in not reimbursing hosts; false procedures and promises to the host in working on a claim, and then simply closing out the claim to leave the host with no other recourse.

- a. It “is a scam”
 - i. https://www.reddit.com/r/AirBnB/comments/a0l3qw/airbnb_host_guarantee_is_a_scam_hosts_be_careful/
- b. It is a “hallow falsehood”
 - i. <https://community.withairbnb.com/t5/Help/AirBnB-Host-Insurance-Actually-a-scam/td-p/308960>
- c. “The Airbnb Host Guarantee is not exactly what they lead us to believe”
 - i. <https://community.withairbnb.com/t5/Hosting/Problem-with-Airbnb-Host-Guarantee-hosts-beware/td-p/558210>
- d. “It appears that the Host Guarantee is a scam that gives you a false sense of security. If your place gets trashed you have no recourse.”
 - i. <https://airhostsforum.com/t/host-guarantee-dishonorable/14300>
- e. It is a “gimmick”
 - i. <https://www.quora.com/Is-the-Airbnb-1-million-host-guarantee-a-marketing-gimmick-Has-anyone-successfully-submitted-a-claim-and-received-money>
- f. It is “fraudulent”

- i. <https://www.facebook.com/airbnb/posts/airbnb-host-guarantee-is-fraudulent-i-followed-guidelines-attempted-to-resolve-w/10157118874917458/>

g. “Over the weeks since I raised a complaint I have been promised responses that never came and each time I message on its system my case is automatically closed.”

- i. <https://www.theguardian.com/money/2019/jan/31/airbnb-damage-compensation-security-rental>

6. Despite knowledge of its own fraudulent marketing scheme through use of vague and confusing representations, use of the word “guarantee,” statements about concern for the host, policies designed to make it difficult for the host to recover any money, and procedures designed to falsely promise reimbursement without following through and then cutting off the host’s claim without notice, Airbnb conveys a much different and dishonest message to the public, especially after it has been sued.

- a. “The safety of the Airbnb community is the most important thing we work on every day and we were deeply saddened by this unfortunate incident,” Airbnb spokes woman Laura Rillos said in a statement. “We reimbursed the property owner and worked to support the hosts under our Million Dollar Host Guarantee program. There have been over 200 million guest arrivals on Airbnb and negative incidents are incredibly rare, but when they happen, we work to make things right.” (See <https://www.statesman.com/news/20170803/lawsuit-couple-sues-airbnb-guest-after-home-catches-fire-in-south-austin>).

7. Airbnb encourages hosts, through deceptive marketing tactics, to rent their homes to guests under the representation that Airbnb has \$1 million in coverage as a host “guarantee” to protect hosts. The “safety of the Airbnb community is [NOT] the most important thing” to Airbnb; rather, maximizing its own profit is the most important thing and leaving hosts without compensation is something that Airbnb has actual knowledge of and it does nothing to remedy the harm. Airbnb facilitates guests’ ability to rent homes, encourages them to rent homes without any oversight or vetting process, but yet proceeds to collect fees from the host even when a guest damages and trashes an owner’s home. Furthermore, when a guest severely damages and trashes a host’s home, Airbnb has an unfair policy to “engage” with the host and employ hollow and false promises of reimbursement but then intentionally does not follow through on those promises. These policies and procedures are deceptive and fraudulent, and intended to ensure that the host

8. On July 26, 2019, the guest Darius Sheppard rented Shaw’s residence in Isle of Palms through Airbnb, South Carolina for a three-night stay with 10 guests. On July 28, Shaw learned that Darius Sheppard threw a party at the house with approximately 100 people or more. Shaw called Darius Sheppard and the police. Apparently the police had shut down the party and instructed the people to leave. Shaw also learned from the Isle of Palms Police Department that many of the party guests were under-age, some of them had drugs, and at least one had a gun. Shaw later learned that Darius Shepard and his friends are part of a gang called HBG, and they promoted the party and charged people to enter the home. Shaw has copies of some photos from Facebook and a video of Darius Sheppard and others partying in the backyard the following day.

9. On July 29, 2019, when Darius Sheppard checked out of Shaw’s home, it was beyond horrible. The first person to view the home was Shaw’s primary cleaning woman Kattia Madigral. She was in disbelief and was unable to clean the home for the new guests who were

supposed to check in at 4:00 pm. The home smelled like marijuana, cigarettes, beer, and vomit. Ms. Madigrall found illegal drugs located in the home, blood and vomit on the walls and towels and bedding, holes in the walls, stains on the curtains, broken staircase railing, broken mirror, destroyed runner in entryway, broken door, broken countertop, dirt and beer cans everywhere inside the home, and much more damage and destruction, as well as a missing Xbox. Other damage was done and in need of repair, some of which was discovered weeks after. Despite knowing all of this harm, Airbnb collected their fee and only reimbursed Shaw for a small fraction of the total damage.

10. Plaintiff was without fault in causing or contributing to the cause of this disaster. Plaintiff promptly hired Molly Maid to send two cleaners, hired Sole Ingle and another woman to help Kattia Madigrall clean the home. Plaintiff also hired David Bellamy to make repairs, fill and clean the pool, and did everything Plaintiff's power to get the home ready for the next renters at 4 pm. It was impossible. The home was not fully cleaned until a few days later and the smell lasted a week or more after that. Accordingly, Shaw lost the next guest and suffered approximately \$2,400 in lost rental income.

11. Shaw asked Kattia Madigrall to take pictures and Shaw has possession of those pictures. .

12. Shaw shared the photos and other information with Airbnb. He also shared the message history between him and Darius Sheppard regarding the request for reimbursement of approximately \$5,500. Despite the significant damage and harm done to Shaw's home, Airbnb kept its fee and only reimbursed Shaw for a small fraction of his damage. During the course of negotiations with Airbnb, Shaw provided photos and made representations of cash payments he made, offered some receipts, and was in the process of continuing to gather more documents and

estimates for repairs, but the damage was so extensive that compiling a full list and obtaining estimates and repairs takes significant amount of time. Rather than help Shaw when he was a victim, Airbnb cut off the process and closed his claim and only paid him \$650, despite explicitly promising to pay for more repairs. As one example, he showed photos of the broken counter-top and Airbnb promised unequivocally to pay for its repair. However, Airbnb failed to pay for it and merely paid a tiny amount of the overall damage, and kept its own booking fee. Airbnb failed to pay for the lost rental income, the cost to clean the home, the lost Xbox, and many other damaged items, which remain damaged today. Airbnb's false and misleading representations prior to and after the guest booked the property have caused Shaw serious emotional distress and damages. Shaw initially placed his home for sale after the incident, but has since decided to keep the home as a rental and simply move to another home. The home is now tainted and Airbnb's fraudulent, deceitful, unfair, and continuing illegal conduct has only exacerbated Shaw's damages, including without limitation, diminution of the value of his home, severely impacting his emotional state, causing numerous hours of dealing with Airbnb, and the distress concerning whether it is even safe to stay in the home with his children. The quiet and peaceful enjoyment of Shaw's home no longer exists. Shaw is moving to a new home that is approximately 40 minutes away from his children. His "tainted home" is only five minutes from his children. Airbnb's fraudulent, uncaring, and disrespectful conduct towards Shaw is almost irreparable, but an appropriate monetary award is necessary to compensate Shaw and protect the public from future harm.

FIRST CAUSE OF ACTION
(Violation of SC Unfair Trade Practices Act)

13. Plaintiff re-alleges and reincorporates the allegations above as though fully set forth herein.

14. Airbnb engaged in a series of unfair and deceptive acts in the conduct of trade and/or commerce by among other acts, failing to provide any type of guarantee, falsely marketing and advertising its services that it publicizes are to protect the Airbnb community, luring and baiting hosts into believing they have more protection from damage caused by guests than is true, failing to act in a reasonable manner in assisting hosts resolve claims of damages caused by guests, making false promises of reimbursement to guests, and overall acting in an unfair, deceptive and unethical manner solely to benefit itself by keeping a guest's payment to Airbnb even when a guest seriously trashes a host's home. Despite its policies, advertises and public statements that it strives to "make things right," Airbnb knowingly engages in a pattern and practice of failing to fully reimburse damage caused by guests, and that is exactly what Shaw was a victim of.

15. Airbnb's unlawful, unfair, and deceptive practices significantly affect the public interest because the same acts have continued for years and are likely to reoccur.

16. Plaintiff suffered money and property loss as a result of Airbnb's conduct described above.

17. Airbnb is liable for Plaintiff's actual damages, including damage to property, loss or property value, and treble damages due to its willful conduct.

SECOND CAUSE OF ACTION (Negligent Misrepresentations)

18. Plaintiff re-alleges and reincorporates the allegations above as though fully set forth herein.

19. Airbnb owes a duty to its hosts to ensure adequate protection against harm to their homes and not to mislead hosts regarding the level of protection against damage, and Airbnb acknowledges this duty by representing and promoting its "host guarantee" as protection for the

host and by assigning a claim person to assist the host in receiving reimbursement from damage caused by guests.

20. Airbnb's "host guarantee" is nothing close to any type of "guarantee" and in fact it is false, misleading and deceptive. Airbnb's policies, processes, and protocols include falsely assigning a claim person to help the host recover money caused by a guest's damage to the home.

21. The "host guarantee" is a material misrepresentation that Airbnb negligently continues to promote despite knowledge of its falsity and hosts' reliance on it. Similarly, the Airbnb representative is a false and misleading policy or practice. Airbnb has actual knowledge of these falsities and has recklessly disregarded the fact that hosts' are being tricked into relying on Airbnb to provide a certain level of protection for hosts' homes. Airbnb intends that hosts rely on its misrepresentations.

22. Shaw reasonably relied on the host guarantee and Airbnb's grossly negligent "assistance" in resolving his claim, which is simply fraudulent. Shaw suffered harm as a result of Airbnb's conduct.

23. Airbnb should be held liable for punitive damages as a result of its conduct described above.

WHEREFORE, Plaintiff prays as follows:

1. For judgment against Defendants for actual, treble, and punitive damages, for a total of \$150,000, or in an appropriate amount, as a jury may determine.

2. For such other and further relief to which Plaintiff may be entitled, including costs of this suit and attorney's fees, as this Honorable Court may deem just and proper.

RESPECTFULLY SUBMITTED this 11th, day of December, 2019

/s/ Scott P. Shaw

Scott P. Shaw

In Pro Per

SC Bar # 78675

CA Bar # 223592

5 20th Ave.

Isle of Palms SC 29451

(949) 330-0202

Sshaw@calljensen.com